

**REPORT OF THE AUDITOR OF PUBLIC ACCOUNTS
AGREED-UPON PROCEDURES ENGAGEMENT
OF THE
ROCKCASTLE COUNTY
PROPERTY VALUATION ADMINISTRATOR**

**For The Period
July 1, 2010 Through June 30, 2011**



**ADAM H. EDELEN
AUDITOR OF PUBLIC ACCOUNTS
www.auditor.ky.gov**

**209 ST. CLAIR STREET
FRANKFORT, KY 40601-1817
TELEPHONE (502) 564-5841
FACSIMILE (502) 564-2912**



ADAM H. EDELEN
AUDITOR OF PUBLIC ACCOUNTS

Independent Accountant's Report

Lori H. Flanery, Secretary, Finance and Administration Cabinet
The Honorable Margaret Offutt
Rockcastle County Property Valuation Administrator
Mt. Vernon, Kentucky 40456

We have performed the procedures enumerated below, which were agreed to by the Rockcastle County Property Valuation Administrator (PVA), solely to assist you with the accountability for statutory contribution receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts for the period July 1, 2010 through June 30, 2011. This engagement to apply agreed-upon procedures was performed in accordance with attestation standards established by the American Institute of Certified Public Accountants. The sufficiency of the procedures is solely the responsibility of the Rockcastle County PVA. Consequently, we make no representation regarding the sufficiency of the procedures described below either for the purpose for which this report has been requested or for any other purpose.

Our procedures and findings are as follows:

1. Procedure -

Determine if the PVA has a receipts ledger, a disbursements ledger, and reconciles bank records to books each month. Re-perform the year-end bank reconciliation (June 30, 2011), for all bank accounts, to determine if amounts are accurate.

Finding - The Rockcastle County PVA maintains receipts and disbursements ledgers and performs monthly bank reconciliations.

2. Procedure -

Confirm any and all payments by the city to the PVA. Compare recorded city receipts to confirmed payment amounts obtained from city governments. Also review the list of city receipts for completeness.

Finding - Recorded city receipts agreed to amounts confirmed by the cities of Livingston, Mt. Vernon, and Brodhead. There were no other city receipts.



Lori H. Flanery, Secretary, Finance and Administration Cabinet
The Honorable Margaret Offutt
Rockcastle County Property Valuation Administrator
(Continued)

3. Procedure -

Confirm any and all payments made by the fiscal court to the PVA. Compare the budgeted statutory contribution by fiscal court to the legally required amounts calculated by the Department of Revenue. Trace the fiscal court payments from the fiscal court statutory contribution budget account to the PVA's local bank account.

Finding - The budgeted statutory contribution by the fiscal court agrees to the legally required amount calculated by the Department of Revenue. Fiscal court payments per the statutory contribution budget account agreed with the Property Valuation Administrator's local bank account.

4. Procedure -

Judgmentally select 15 disbursements from PVA records and agree amounts to cancelled checks, paid invoices or other supporting documentation. Determine if the expenditure is for official business. Review all credit card statements (if any) to determine if expenditures are for official business.

Finding - Fifteen (15) items were selected for testing. Amounts agreed to cancelled checks, paid invoices, and other supporting documentation. Tested expenditures were for official business.

5. Procedure -

Compare capital outlay disbursements with cancelled checks, supporting documentation, and proper purchasing procedures. Verify the location of newly acquired assets. Determine if assets were added to the PVA's Capital Asset Inventory List.

Finding - No capital outlay disbursements were made during the period of July 1, 2010 through June 30, 2011.

6. Procedure -

Scan vehicle lease agreements, personal service contracts, and professional service contracts for cost schedules and compare to actual payments. Determine if services received were appropriate, for official business, and properly authorized.

Finding - The Rockcastle County PVA did not enter into any vehicle lease agreements, personal service contracts, or professional service contracts during the period of July 1, 2010 through June 30, 2011.

Lori H. Flanery, Secretary, Finance and Administration Cabinet
The Honorable Margaret Offutt
Rockcastle County Property Valuation Administrator
(Continued)

7. Procedure -

Compare PVA's final budget to actual expenditures to determine if PVA overspent in any account series.

Finding - The Rockcastle County PVA did not overspend the final budget.

8. Procedure -

Determine whether collateral is necessary for the PVA's funds. If necessary determine if a collateral agreement exists.

Finding - Collateral is unnecessary for the Rockcastle County PVA's funds.

9. Procedure -

Determine whether timesheets are completed, maintained, approved, and support hours worked.

Finding - Timesheets are completed, maintained, approved, and support hours worked for employees of the Rockcastle County PVA.

10. Procedure -

Determine whether cash balances were properly transferred from former PVA to new PVA.

Finding - Not applicable to the Rockcastle County PVA.

11. Procedure -

For newly hired employees, during July 1, 2010 through June 30, 2011, of the PVA office determine if the Ethics Certification Form has been completed and is on file.

Finding - The Rockcastle County PVA hired no new employees during the period of July 1, 2010 through June 30, 2011.

12. Procedure -

Determine if the PVA's office was closed any day other than the state's approved holidays. If so, determine if the proper procedures and forms were completed.

Finding - The Rockcastle County PVA was closed on June 16 and June 17, 2011 due to courthouse renovations. Proper procedures and forms were completed by the PVA.

Lori H. Flanery, Secretary, Finance and Administration Cabinet
The Honorable Margaret Offutt
Rockcastle County Property Valuation Administrator
(Continued)

We were not engaged to, and did not perform an examination, the objective of which would be the expression of an opinion on the receipts and disbursements, including capital outlay disbursements, city government receipts, recordkeeping, and leases and contracts. Accordingly, we do not express such an opinion. Had we performed additional procedures, other matters might have come to our attention that would have been reported to you.

This report is intended solely for the information and use of the Property Valuation Administrator and the Department of Revenue and is not intended to be and should not be used by anyone other than these specified parties.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Adam H. Edelen', written in a cursive style.

Adam H. Edelen
Auditor of Public Accounts

April 13, 2012